IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

Appeal Lodging No l66 of 2005
in
Arbitration Petition no.99 of 2005

Patdi Commercial & Investments
Limited and ors ..Appellants
vs
Standard Industries Limited ..Respondents

Mr. Pravin Samdani with B M Manjuksa i/b Akshar Laws for appellants

Mr.Aspi Chinoy Sr Counsel with D J Khambatta and Cooper i/b Desai Diwanji for respondents

CORAM: A.P.SHAH & S.J.VAZIFDAR JJ.
Dated 23.3.2005

P.C:

. We have heard learned counsel for the parties at some length. Ultimately the parties agreed to following interim arrangement pending the hearing and final disposal of the arbitration petition.

i) Court Receiver shall take possession of l75 shops being 83 shops already placed in possession of the respondents and 92 shops listed in list filed by the appellants in court and marked "X" for identification.

ii) The appellants state that they are ready and willing to furnish bank guarantee for a sum of Rs.l0 crores of a nationalised bank

within a period of eight weeks from today in favour of the Prothonotary and Senior Master of this court. The bank guarantee shall be kept alive till the petition is disposed of and for a further period of 4 weeks thereafter.

iii) In the event of the appellants constructing and providing 200 shops in Radhakrishna Textile Market, Surat and they complete the same in all respect and obtain certificate of M/s Nadkarni and Co, Architect to the aforesaid effect and file an undertaking in this court that these 200 shops are in their absolute possession and same are free from encumbrances and charges whatsoever and further that, these shops will be held by the appellants in their absolute possession and no third party right, charge or any encumbrances of any nature whatsoever will be created thereon till after expiry of four months of the making of the arbitral award by the Arbitral Tribunal, in such event the learned single Judge will consider the prayer of the appellants for release of the bank guarantee and pass appropriate orders regarding the

said shops. Till the bank guarantee is furnished the order of this court dated 24.2.2005 to continue.

iv) In the event of failure of the appellants to furnish bank guarantee, the order of the learned single Judge shall become operative and Receiver shall take possession of the remaining shop as per the order of the learned single Judge.

Appeal stands disposed of.